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TWENTY-SEVENTH
ANNUAL REPORT

1991

92-07373/

MANITOBA pork

1991

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BOARD MEMBERS

Weldon Newton, Neepawa ..... Chairman
Ken Foster, Arborg ..... Vice Chairman
Brian Cramer, Carman ..... Executive Committee
Bill Vaags, Dugald ..... International Trade and Market Development

Gorden Ferriss, Bowsman ..... Director
Gerry Friesen, Wawanesa ..... Director
Don McEwan, Altamont ..... Director
Ben Wipf, Headingley ..... Director

ADMINISTRATION

Larry Sedgwick, P.Ag. ..... General Manager
René Chabidon ..... Assistant Manager
Aden Fulford ..... Accountant
Anne Brown, Sandra Lewkiw ..... Secretary

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CHAIRMAN'S LETTER

Dear Fellow Pork Producer:

1991 saw the continued rationalization of Manitoba's hog production industry. We saw a net loss of 270 production units in 1991, which brings us to a total reduction of over 1,100 units in the last three years. However, our total hog production actually increased by nearly six percent over 1990 and is at the same level as 1988.

This is the time for us to take a critical look at our industry and determine what changes are required, to survive these difficult financial times. It is not the time to ask for government money to tide us over until better market prices return.

The future growth of our industry is very dependent on the ability of our processing industry to compete in world markets. The current direction of the GATT negotiations certainly appears to be positive for our industry in the future. Our ability to access new markets will be crucial to the future health of our industry. The formation of Canada Pork International, as a joint effort between the Canadian processing industry and producers to find new markets for Canadian pork, is certainly a step in the right direction.

During the past year, we have had many discussions with the members of the Manitoba pork processing industry. As a result, I believe both sides have a better appreciation of each other's needs and problems. I believe there is a genuine desire by both sides to work together in order to make Manitoba's hog industry a very dynamic and competitive force in the North American and world marketplace.

We have initiated the development of Waste Management Guidelines for the livestock industry. These guidelines will be of use to producers in the design and management of their manure handling systems. More importantly, they will serve as a valuable resource document for municipal planning authorities when they make decisions on land-use planning for their municipalities.

We have undertaken the first review of our district boundaries and delegate structure since the formation of our organization in 1972. We anticipate that the results of this review will be in place for 1993.

We must continue to push for fair treatment, with the rest of agriculture, in the development of land-use planning, taxation and assessment and grain transportation initiatives.

1992 will see the first carcass cut-out and evaluation of the Canadian hog grading system since 1978. This is certainly long overdue and it appears that we may have gone far enough in our

effort to remove fat from our carcasses. We may now need to place the emphasis of our breeding programs in a different direction. This will require the co-operation of the processing industry to tell us what they need in carcass quality, along with a better method of relaying this information back to producers.

I would like to thank the other members of the Board of Directors of Manitoba Pork for their dedication and commitment in all areas during the last year. Special recognition also goes to the Manitoba Pork staff for their continued dedication in serving the needs of our industry.

Sincerely,

Weldon Newton
Chairman, Manitoba Pork est.

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1991 MANITOBA PORK DIRECTORS AND DISTRICT DELEGATES

DON McEWAN, ALTAMONT — DIRECTOR

District 1

Delegates
Dave Day, Deloraine
Glen Wallcraft, La Riviere
Gordon McDonald, Manitou
Clifford McCallum, Boissevain
David E. Rolfe, Elgin
Ed Grift, Swan Lake

GERRY FRIESEN, WAWANESA — DIRECTOR

District 2

Delegates
Harry Plett, Wawanesa
Tom Baron, Carberry
Doug Head, Treherne
Larry Fisher, Carberry
Ray Timmerman, Treherne
John K. Guthrie, Reston

WELDON NEWTON, NEEPAWA — DIRECTOR

District 3

Delegates
Garry Tolton, Newdale
Duncan Broadfoot, Gladstone
Andy Cardy, Minnedosa
Jim Farquhar, Birtle
James L. Young, Arrow River

GORDEN FERRISS, BOWSMAN — DIRECTOR

District 4

Delegates
Ian Shaw, Swan River
Terry Highmoor, Bowsman
Acey Brinkman, Grandview
George Geisel, Ochre River
Ron Bernardin, Laurier

BRIAN CRAMER, CARMAN — DIRECTOR

District 5

Delegates
Lloyd Stoesz, Altona
Auke Bergsma, Carman
Charles Fossay, Starbuck
Menno Isaac, Plum Coulee
Bruce Mazinke, Morris
James Peters, Winkler
Ralph Piche, Fannystelle
Dave Waldner, Morris

KEN FOSTER, ARBORG — DIRECTOR

District 6

Delegates
Les Jacobson, Arborg
Bob Harcus, Stonewall
Hans Kjear, Stonewall
John Nickel, Eriksdale
Edwin Ryden, Eriksdale

BILL VAAGS, DUGALD — DIRECTOR

District 7

Delegates
Kai Winther, Dufresne
Vern Kionke, Dugald
Ron Rempel, Ste. Anne
Frank Thiessen, Steinbach
Joe Van Schepdael, East Selkirk
Ron Plett, Landmark
Leonard Esau, Steinbach
Ed Durksen, Grunthal

BEN WIPF, MAXWELL COLONY — DIRECTOR

District 8

Delegates
Johnathon Gross, Homewood Colony
Ben Hofer, Greenwald Colony
Josh Hofer Jr., Starlite Colony
Sam Hofer, Woodland Colony
Edwin Kleinsasser, Sunnyside Colony
Henry Maendel, Hidden Valley Colony
Mike Waldner, Cool Spring Colony
Tom Waldner, Brightstone Colony

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MANAGER'S REMARKS

Dear Manitoba Pork Member:

The Twenty-Seventh Annual Report and Financial Statements, including trends in the pork industry, for the year ending December 31, 1991 is presented here for information to the membership and those interested in the Board's activities.

This report contains financial, statistical, and operations reports, as well as Board of Directors and office personnel profiles. In this way we hope to continue to build upon, and improve, the close association between the people who are responsible for administering the Board's policy and operations and the members at large.

During the past year, the pork industry in Manitoba faced many challenging, and sometimes frustrating, situations. Development of a market-responsive and North American-competitive producer sector continues to be a major Board priority. National and international issues relating to the NTSP, the U.S. countervail trade action, the proposed North American Free-Trade Agreement and the GATT negotiations, have all required carefully designed "Manitoba Pork" input into the process of negotiation and communication.

PRODUCTION AND PRICES: The year under review showed a sharp decline in hog prices through the second half on account of increased marketings in the U.S. and a high countervail duty deposit rate. The year's average price of $137.55/100 kgs. was down 11.8% from 1990's figure of $156.04/100 kgs. This translates into a $16.00 per hog decrease. (down 21% from 1990) A wide range of prices occurred during the year, from a low of $102.71 on December 27th to a high price of $162.92 on June 22nd. The industry "hurt" was seen by way of a reduction of 270 production units, leaving a total of 2,065 at year-end. Net Manitoba hog production in 1991 totalled 1,868,631 head, an increase of 5.6% from 1990's total of 1,768,930. This production increase demonstrates the continuing profile shift to fewer, but larger, production units.

Live hog exports to the U.S. increased to 184,970 (Board and non-Board) head during the year. The increase was brought about primarily due to the weakness of Canadian markets in relation to the stronger U.S. markets, particularly in the second and third quarters. Weanling exports increased to 153,763 head from 138,000 in 1990.

PACKER RELATIONS: The profile of the pork slaughter and processing industry in the province remained intact and without significant change at year-end. Labor contract negotiations were concluded at all four plants, resulting in new contracts which will ensure a disruptive-free work period of up to three years.

Given Manitoba's major dependence on international markets, there is an ever-increasing need to develop a processing industry which can compete successfully in all world markets. Following a year of allegations levelled against the Board's selling system, an atmosphere of better understanding and mutual respect has emerged between the Board and its' buyers. It would seem that both sides recognize the need to work harmoniously towards building a stronger and healthier industry.

PRODUCT QUALITY AND IMPROVEMENT: Manitoba producers continue to demonstrate their leadership and management ability in producing top quality hogs. In 1991 the Manitoba average index stood at 105.7 - or .9 above the national average. The current index settlement table which was put in place at the beginning of 1991 has achieved positive results. Average carcass weights increased from 79.3 kgs to 80.3 kgs with 10% of the hogs shifted from the less desirable weight ranges to the 80-90 kg range.

EXPORT TRADE: Canadian dressed pork exports for 1991 totalled 210,477,000 kgs, down 9.2% from 1990. Pork imports of 13,807,000 kgs to December 28, 1991 were up 11.8% from 1990. Exports to Japan were down 5% in 1991; while exports to the U.S. were down 9.3%, a reflection of reduced Canadian production.

MARKET DEVELOPMENT: Canada Pork International now serves as the pork industry's market development arm. The organization represents both the producers and the processors, as well as having major support from the Federal government. While still new, it has already organized a number of missions and projects in support of 'new market development'.

Manitoba Pork participated in a trade mission to Japan as part of a Provincial government initiative, as well as organizing a mission to the U.S. for the purpose of market assessment.

PORK PROMOTION: Pork promotion and advertising continues as a vital part of the Board's business operations. In 1991, funding for Canada Pork and local promotion programs totalled in excess of $730,000, or about 39 cents per hog produced in the province. Canada Pork and provincial board staff work closely with suppliers and consumers in delivering programs which enhance our products' image and use.

MEMBER RELATIONS AND SERVICES: The Board's Committee structure has served to deal with a number of key and ongoing issues and projects throughout the year. The Board and its' Committees participated in some 95 meetings, covering a broad range of Board involvement.

During this past year, the Board implemented weekly price pooling and an electronic funds transfer service. These two services were studied and assessed for some time prior to the 1991 implementation.

In October, the new Neepawa Assembly Yard was opened, thus providing expanded services to producers in Western Manitoba.

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Other significant developments included: the refund of the countervail offset deduction, (plus interest) to those contributing producers; completion of the Human Resources Study Report; leading role in the formation of the Manitoba Feed Grain Users Association; co-opting with the Province in developing a new Waste Management Guideline Manual; lobby in-put on environmental, taxation and right-to-farm principles effecting hog producers; support for production-related swine research and chilled pork technology development; contributing member of the Red Meats Forum and Manitoba Farm Animal Care Committee; and establishment of a Committee to review the Board's delegate structure and district boundaries.

"TOP 20" CONGRATULATIONS: The Board again honored producers with its "TOP 20" competition. The overall winner, and winner of the 4001+ hog category, was Westroc Colony of Westbourne with an average index of 109.6813. Spruce Meadow Farms (Roland Penner) of Steinbach placed second in the province and won the 1001-4000 category with an average index of 109.6102. Henry Martens of Steinbach won the 200 - 1000 category, and placed third in the province overall, with an average index of 109.5300.

BOARD FINANCES: The audited Financial Statements in this report reflect Manitoba Pork's business affairs for the 12-month period ending December 31, 1991.

Proceeds on the sale of hogs dropped by $24.1 million from 1990, to $203.8 million in 1991. This was accompanied by a $468,000 reduction in revenues and a $132,000 drop in administrative and selling costs. The operational surplus, accordingly, was reduced to $202,450 for the year's operations.

With the opening of the Neepawa Assembly yards, the Board has assumed annual payments of approximately $92,000 under a 10-year operating lease contract.

In conclusion, I wish to express my gratitude and appreciation to the Board of Directors for their support and guidance, and to the entire Board staff whose dedicated efforts have helped make this an organization of which all its' members can be justly proud.

Larry Sedgwick
General Manager, Manitoba Pork est.

BOARD OF DIRECTORS:
Seated: (l to r) Ben Wipf, Gerry Friesen, Gorden Ferriss
Standing: (l to r) Weldon Newton, Brian Cramer, Ken Foster, Don McEwan, Bill Vaags

EXECUTIVE COMMITTEE:
Seated: Weldon Newton (Chairman)
Standing: (l to r) Larry Sedgwick (General Manager), Brian Cramer (Executive Member), Ken Foster (Vice-Chairman)

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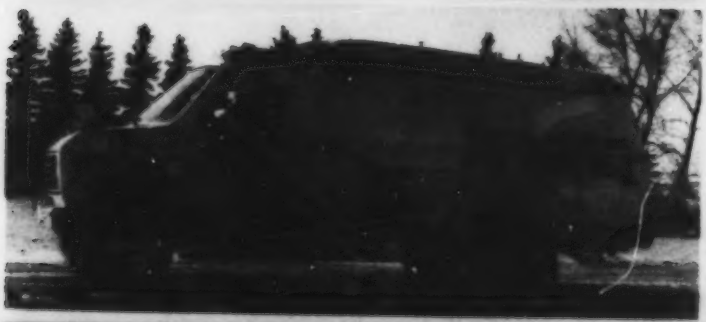
1991 BOARD OF DIRECTORS



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MANITOBA PORK STAFF (1991)

1 MANAGEMENT (l to r)
Larry Sedgwick, General Manager
René Chabidon, Assistant Manager
Aden Fulford, Accountant

2 ADMINISTRATIVE ASSISTANTS (l to r)
Sandra Lewkiw, Irene Gaudreau, Debra LaFrenière

3 RECEPTION (l to r)
Audrey Hillman, Tracey Baldwinson

4 SALES (l to r)
Perry Mohr, Sales Manager
Mary Anne Buchko, Sales Assistant
Bill Oakley, Research Economist

5 SETTLEMENT DEPARTMENT (l to r)
Valerie Sylvestre, Cecile Lafrenière (Supervisor)
Diane Jackson

6 ACCOUNTING DEPARTMENT (l to r)
Joyce Bruneau, Gwen Zimmer, Aden Fulford (Accountant)
Jess Lazo

7 PROMOTIONS DEPARTMENT (l to r)
Marlene McDonald, Myra Emms, Ruth Dyker

8 WINNIPEG YARD STAFF (l to r)
Front - Richard Quenelle, George Haywood, Luc Tetrault, Dan Yareski, Wallace Wright, Dan Schorrock, Kendra Grimolfson, Richard McCulloch (Superintendent)
Back - Clarence Sinclair, Mitch Gauthier, Andy Desorcy, Richard Collins

9 Bert Neufeld and the "Pork Pro-Motor"

10 1991 "RETIREES"
The Board bids farewell to three of its' loveliest ladies, (l to r) Mary Mahood, Anne Brown, Verda Andrew

IN MEMORIAM
(Deceased in 1991)

Jim Moffatt, (Retired) Brandon Yard
Ray Bohemier, (Retired) Winnipeg Yard
Glen Richardson, Winnipeg Yard

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MANITOBA PORK DISTRICT BOUNDARIES MAP (1991)

• Indicates District zones

1 — Southern
2 — West-Central
3 — North-Central
4 — North-West
5 — Central Plains
6 — Interlake
7 — Red River East
8 — Not geographically defined (see note page 13)

MANITOBA PORK HOG DISTRICT PROFILE

MANITOBA PORK DISTRICTS	NUMBER OF ACTIVE PRODUCTION UNITS		TOTAL MARKETINGS		
	1991	1990	1991	1990	Change
#1 — Southern	379	405	167,440	165,879	+0.94
#2 — West-Central	192	211	64,731	62,520	+3.54
#3 — North-Central	180	226	53,967	52,953	+1.91
#4 — North-West	210	243	48,702	50,444	-3.45
#5 — Central Plains	393	458	165,316	181,706	-9.02
#6 — Interlake	144	180	77,118	78,780	-2.11
#7 — Red River East	479	526	487,911	492,935	-1.02
#8 — Hutterite Colonies*	88	86	650,381	602,839	+7.89
TOTAL	2,065	2,335	1,715,566	1,688,056	+1.63

*District 8 is not defined by boundaries but encompasses all Hutterite Colonies in the Province that are duly registered as hog producers.
**Includes only Board sales by registered hog producers in each of the eight Manitoba Pork Districts.

MANITOBA PORK HOG MARKETINGS BY SALES RANGE

SALES RANGE	DISTRICT 1		DISTRICT 2		DISTRICT 3		DISTRICT 4		DISTRICT 5		DISTRICT 6		DISTRICT 7		DISTRICT 8		PROVINCE	
	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS	NO. UNITS	HOGS
1 - 100	158	2.8	98	4.6	98	5.8	122	7.3	138	2.5	54	1.8	105	.6	2	—	775	1.5
101 - 200	44	4.0	24	5.3	18	4.6	25	7.3	64	5.7	12	2.3	23	.7	—	—	210	1.7
201 - 500	73	14.4	31	15.4	32	20.2	32	21.6	75	14.8	30	13.4	68	4.9	—	—	341	6.6
501 - 1000	57	24.3	21	23.6	16	21.6	21	32.6	72	31.3	24	23.3	95	14.8	4	.4	310	13.4
1001 - 2000	36	30.0	12	23.9	11	27.1	9	23.9	34	26.5	16	26.8	128	37.0	—	—	246	19.7
2001 - 5000	9	17.9	5	19.2	5	20.7	1	7.4	9	14.8	7	23.2	52	31.0	7	4.2	95	16.1
5001 - 10000	2	6.7	1	8.1	—	—	—	—	1	4.5	1	9.1	7	8.3	61	70.5	73	30.8
10001 & Over	—	—	—	—	—	—	—	—	—	—	—	—	1	2.8	14	24.9	15	10.2

Comments: Total production units were down for 1991 by 11.5 percent while concentration of production in the units producing over 1000 head has moved from 74.3 in 1990 to 76.8 in 1991. A significant number of the units marketing from 1 to 100 head of swine are made up of weanling production units whose sales consist primarily of cull sows and/or boars.

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1991 MANITOBA PORK DISTRICT PROFILE

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1991 REVIEW OF STATISTICAL INFORMATION

TABLE 1

MANITOBA PRICE AND SALES SUMMARY

MONTH	AVERAGE PRICE (F.O.B. WINNIPEG)				GROSS SALES HOGS, SOWS, BOARS
	100 INDEX HOGS		NO. 1 SOWS (D.W.)		
	METRIC	IMPERIAL	METRIC	IMPERIAL	
JANUARY	141.28	64.08	108.45	49.19	132,470
FEBRUARY	150.79	68.39	116.93	53.03	136,754
*MARCH	145.79	66.13	121.52	55.12	161,957
APRIL	145.20	65.86	125.96	57.13	129,120
MAY	155.23	70.41	124.70	56.56	121,943
*JUNE	157.37	71.38	123.32	55.93	159,258
JULY	148.76	67.47	112.52	51.03	126,897
AUGUST	146.96	66.66	109.05	49.46	127,236
*SEPTEMBER	128.77	58.41	99.24	45.01	179,263
OCTOBER	125.49	56.92	96.81	43.91	143,239
NOVEMBER	109.71	49.76	78.36	35.54	147,392
*DECEMBER	108.20	49.07	72.56	32.91	175,229
1991	137.55	62.39	107.50	48.76	1,740,758
1990	156.04	70.77	128.64	58.35	1,746,020
5 YR. AVG.	144.93**	65.73**	106.61	48.36	1,776,718

*Denotes 5 Week Month.
**Denotes Weighted Average
Comments: While producton in Manitoba actually increased, Board sales decreased by .3 per cent due to the number of hogs marketed off-board.

TABLE 2

MANITOBA PORK — MARKETINGS BY QUARTER

	JAN.-MAR. 1st QUARTER	APR.-JUNE 2nd QUARTER	JULY-SEPT. 3rd QUARTER	OCT.-DEC. 4th QUARTER	TOTAL 1991
HOGS	425,669	405,315	428,194	460,460	1,719,638
SOWS	3,965	3,499	3,306	3,367	14,137
BOARS	1,270	1,113	1,379	1,208	4,970
TOTAL (91)	430,904	409,927	432,879	465,035	1,738,745
TOTAL (90)	469,079	421,590	436,622	416,470	1,743,761
% CHANGE (91/90)	-8.1	-2.8	-0.9	+11.7	-0.3

Comments: Quarterly Manitoba marketings for 1991 reflected decreases ranging from -0.9 to -8.2 per cent but with the strong 4th quarter +11.7 per cent the overall decrease was held to 0.3 per cent.

TABLE 3

MANITOBA PRODUCTION SUMMARY

	BOARD SALES	+ NON-BOARD EXPORTS	− OUT OF PROVINCE IMPORTS	= NET MANITOBA PRODUCTION
HOGS	1,718,941	92,567	629	1,810,879
SOWS	13,927	33,003		46,930
BOARS	7,890	2,932		10,822
TOTAL (91)	1,740,758	128,502	629	1,868,631
TOTAL (90)	1,745,706	75,422	52,198	1,768,930
	WEANLING EXPORTS	153,763 (91)	138,487 (90)	Change 91/90 +5.6%

Comments: Net Manitoba production for 1991 is realized by adding the non-Board export figure and subtracting the out-of-province imports. The result therefore is a net Manitoba production figure of 1,868,631 head of swine, which reflects an increase of 5.6 per cent from that of 1990.

TABLE 4

INSPECTED HOG SLAUGHTER CANADA AND UNITED STATES*

PROVINCE OF ORIGIN	FEDERAL AND PROVINCIAL SLAUGHTER VOLUME		% CHANGE 91/90
	1991	1990	
BRITISH COLUMBIA	461,929	496,203	-6.9
ALBERTA	1,898,525	1,896,856	-0.09
SASKATCHEWAN	706,354	744,064	-5.1
MANITOBA	1,967,049	1,874,785	+4.9
TOTAL WEST	5,034,457	5,011,908	-0.5
ONTARIO	3,832,812	3,948,977	-2.9
QUEBEC	4,456,978	4,684,935	-4.9
MARITIMES	537,144	539,729	-0.5
TOTAL EAST	8,826,934	9,173,641	-3.8
TOTAL CANADA	13,861,391	14,185,549	-2.3
TOTAL UNITED STATES	85,680,846	82,610,147	+3.7

*Source: Agriculture Canada

Comments: Total inspected hog slaughter was down 2.3 per cent in Canada for 1991 while the U.S. posted a gain of +3.7 per cent. The gain of +4.9 per cent in Manitoba is in part a result of a large number of Saskatchewan hogs being slaughtered in Manitoba.

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TABLE 5

CANADIAN FRESH AND FROZEN PORK EXPORTS

EXPORTED TO	000 KGS		% CHANGE 91/90
	1991	1990	
UNITED STATES	162,713	174,596	-6.8
JAPAN	20,878	21,979	-5.0
OTHER COUNTRIES	26,885	35,167	-23.6
TOTAL	210,477	231,741	-9.2

*Source: Canada livestock and meat trade report, Agriculture Canada
Comments: An overall loss of 9.2 percent in Canadian pork exports reflects the continuing limitations to free market access as well as the competitive price relationship of the Canadian pork industry for 1991.

TABLE 6

FRESH AND FROZEN PORK IMPORTS — DRESSED MEATS

IMPORTED FROM	000 KGS		% CHANGE 91/90
	1991	1990	
UNITED STATES	8,950	8,342	+7.3
E.E.C.	3,989	3,467	+15.1
OTHER COUNTRIES	868	543	+59.9
TOTAL	13,807	12,352	+11.8

*Source: Agriculture Canada
Comments: Although imports continued to increase, the total percentage increase was 5.1 per cent less than that of 1990 and consisted, for the most part, of specialty items.

TABLE 7

HOG CARCASS INDEXING REVIEW

INDEX(ES)	PERCENTAGES	
	MANITOBA	CANADA
114-112	13.2	10.6
110-109	24.9	21.7
108-107	24.8	25.0
105-104	17.2	18.2
102-100	10.3	12.3
99-97	0.9	1.4
96-94	3.7	4.2
93-92	2.0	2.2
90-83	1.6	1.9
82	0.6	0.7
81	0.3	0.4
1991-103 and OVER	80.1	75.5
1990-103 and OVER	77.3	69.0

Comments: Comparisons between results in Manitoba and Canada are difficult to accurately assess ,as not all provinces reported results for 1991 and several provinces are making settlement based on different grading grids.

TABLE 8

MANITOBA HOG CARCASS WEIGHT DISTRIBUTION

RANGE (KGS)	1991		1990	
	NO. HOGS	CARCASSES	NO. HOGS	CARCASSES
64.9 - UNDER	8,015	.50	15,847	.97
65-69.9	43,117	2.67	80,288	4.87
70-74.9	210,301	13.00	304,459	18.47
75-79.9	513,448	31.74	557,378	33.81
80-84.9	516,420	31.92	442,583	26.85
85-89.9	235,105	14.53	178,692	10.84
90-94.9	67,736	4.19	51,015	3.09
95-99.9	17,239	1.07	13,021	.79
100 UP	6,371	.39	5,054	.31

Comments: Results of the 1991 weight distribution chart show that the grading changes implemented in 1991 achieved the desired effect. Carcasses falling into the ideal weight range of 75 to 89.9 kgs. totalled 78.19 per cent as compared to 71.5 per cent in 1990.

TABLE 9

PER CAPITA CONSUMPTION OF MEAT IN CANADA, 1981-1991

(kilograms)	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990*	1991*
Beef[1]	40.6	40.4	40.0	38.3	38.7	39.1	38.1	38.3	37.6	37.3	37.1
Pork[1]	30.1	27.8	28.6	27.8	28.4	27.6	27.9	29.3	29.3	29.4	29.4
Veal[1]	1.5	1.6	1.6	1.8	1.8	1.8	1.6	1.5	1.7	1.8	1.6
Mutton & Lamb[1]	0.7	0.7	0.8	0.8	0.7	0.9	1.0	0.8	[illegible]	0.8	0.8
Offal	1.3	1.2	1.4	1.4	1.6	1.7	1.5	0.9	1.0	1.1	1.2
Chicken & Fowl[2]	18.3	18.6	18.8	19.7	21.0	21.4	21.7	24.1	22.1	22.3	22.4
Turkey[2]	4.1	3.9	4.0	3.9	3.9	4.1	4.3	4.5	4.5	4.6	4.8

[1]Carcass weight. [2]Eviscerated weight. Source: Statistics Canada.
*Projected estimates.

TABLE 10

MONTHLY REVIEW: AVERAGE WEIGHTS & INDEXES

MONTH	AVERAGE MANITOBA INDEX*	AVERAGE CARCASS WEIGHT (KGS)
JANUARY	105.4	81.9
FEBRUARY	106.1	81.2
MARCH	106.2	80.8
APRIL	106.1	80.4
MAY	106.0	80.1
JUNE	105.6	79.6
JULY	105.4	79.4
AUGUST	105.3	79.2
SEPTEMBER	105.6	79.4
OCTOBER	105.5	80.4
NOVEMBER	105.3	80.6
DECEMBER	105.6	79.9
AVERAGE FOR 12 MONTH PERIOD 1991	105.7	80.2
AVERAGE FOR 12 MONTH PERIOD 1990	105.7	78.8

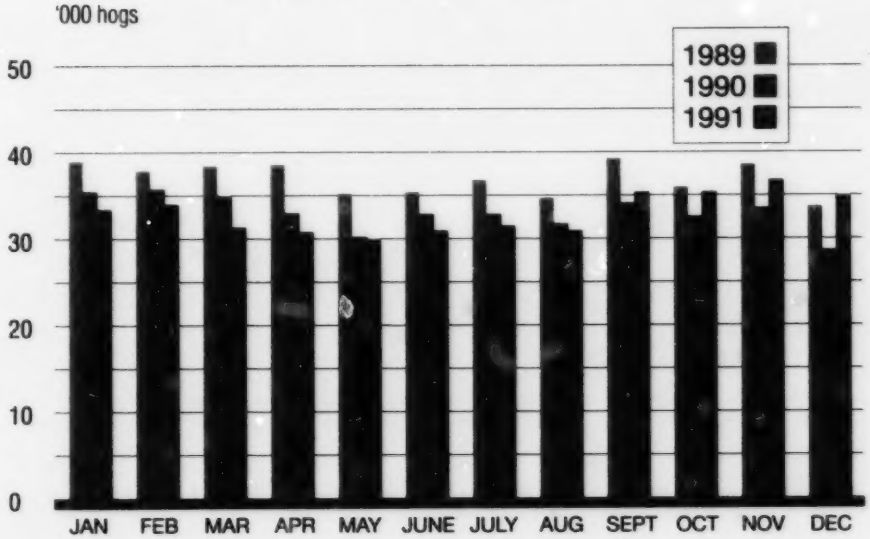
*Average Index Excludes Ridglings and Lights

MANITOBApork

1991

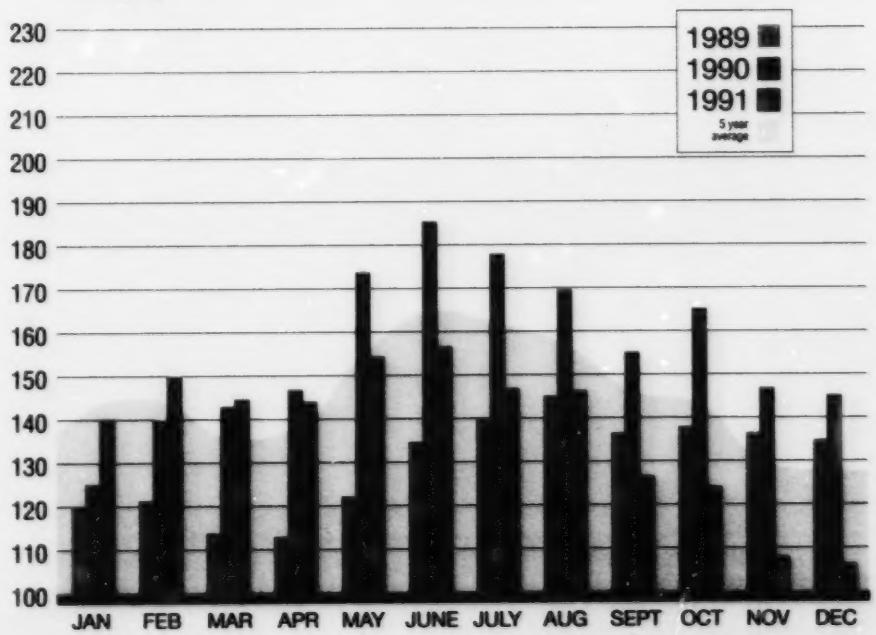
AVERAGE WEEKLY MANITOBA MARKETINGS

'000 hogs



AVERAGE MONTHLY HOG PRICES

F.O.B. - Winnipeg
$ / 100 kg



CONGRATULATIONS TO:	ADDRESS	AVG. WT. INDEX	TYPE OF OPERATION
1. * **Westroc Colony**	Westbourne	109.6813	Farrow to Finish
2. **Spruce Meadow Farms**	Steinbach	109.6102	Farrow to Finish
3. * **Henry Martens**	Steinbach	109.5300	Feeder: Weanlings From Landmark Feeds, Landmark
4. • **Allen Barkman**	Birnie	109.4875	Feeder: Weanlings From George Friesen, Riding Mountain
5. **Cool Spring Colony**	Minnedosa	109.3732	Farrow to Finish
6. • **Jake Peters**	Wawanesa	109.1988	Farrow to Finish
7. * **Ron Jamault**	Rathwell	109.0519	Feeder: Weanlings From Westroc Colony
8. • **Sommerfeld Colony**	High Bluff	108.8714	Farrow to Finish
9. **Linden Wohlgemuth**	Riding Mountain	108.7428	Feeder: Weanlings From Dean Wohlgemuth
10. • **Greenwald Colony**	Beausejour	108.7083	Farrow to Finish
11. • **Starlite Colony**	Starbuck	108.6929	Farrow to Finish
12. **Parkview Colony**	Riding Mountain	108.6710	Farrow to Finish
13. * **Louis Barkman**	Birnie	108.6615	Feeder: Weanlings From Terry Duncalfe, Birnie
14. * **Ben P. Reimer**	Ste. Anne	108.6478	Farrow to Finish
15. **Leverton Farms**	Elgin	108.6323	Farrow to Finish
16. * **D. & A. DeKoninck**	Cartwright	108.6039	Farrow to Finish
17. **Ron Froese**	Grunthal	108.5958	Feeder: Weanlings From Elite Swine, Otterbourne
18. * **Gateway Farms**	Kleefeld	108.5921	Farrow to Finish
19. * **Charles West-Burnham**	Wawanesa	108.5714	Farrow to Finish
20. **Cliff/Jean McCallum**	Boissevain	108.5490	Farrow to Finish

* NEW • - 5 or more years

MANITOBA*pork*

1991 TOP 20 PROVINCIAL WINNERS

MANITOBA pork

1991 "TOP 20 CLUB" DISTRICT 1 & 2

DISTRICT 1		ADDRESS	AVERAGE INDEX
1.	• Leverton Farms	Elgin	108.6323
2.	• D. & A. DeKoninck	Cartwright	108.6039
3.	••• Cliff/Jean McCallum	Boissevain	108.5490
4.	• Dave Tiessen	Crystal City	108.4073
5.	Bernard Vandenbosch	Swan Lake	108.3651
6.	• Elsie/Dale Boyd	Killarney	107.6603
7.	Hubert/Cathy Rondeau	Swan Lake	107.6155
8.	Hubert-Bruno Labossiere	St. Leon	107.5927
9.	' Gerald Simoens	Swan Lake	107.4200
10.	• Fotheringham Farms	Reston	107.2731
11.	Dianne Cousin-Devos	Bruxelles	107.2708
12.	• Orville Friesen	Cartwright	107.2579
13.	• Robert/Teresa Wiebe	Killarney	107.0881
14.	Robert Beernaert	Swan Lake	107.0626
15.	Clement Desrochers	Mariapolis	106.9841
16.	• Russell J. Boulton	Reston	106.9110
17.	' Emmanuel Vandevelde	Mariapolis	106.9003
18.	' Guy B. Lafreniere	St. Leon	106.8608
19.	•• Edward Grift	Swan Lake	106.8577
20.	• Trotter Farms	Belmont	106.8489

DISTRICT 2			
1.	•• Jake Peters	Wawanesa	109.1988
2.	• Ron Jamault	Rathwell	109.0519
3.	' Charles West-Burnham	Wawanesa	108.5714
4.	•• Leonard Plett	Wawanesa	108.0694
5.	•• John Kay Guthrie	Reston	108.0631
6.	• Ronald B. Drysdale	Brookdale	107.9478
7.	•• Ray Timmerman	Treherne	107.7218
8.	• Harry Plett	Wawanesa	107.4286
9.	••• J. P. Wiebe & Sons	MacGregor	107.2123
10.	E. E. Bueckert	Austin	107.2073
11.	•• Amroy Farms Ltd.	Carberry	107.0829
12.	• John/Pat Hipwell	Virden	107.0760
13.	William M. Doerksen	MacGregor	106.9280
14.	• Stone Valley Farms	Cromer	106.7973
15.	' Peter Broks	Glenboro	106.7843
16.	Hayward Farms	Treherne	106.6555
17.	John Hofer	Sidney	106.6539
18.	• William Barkley	Virden	106.6071
19.	Frances DeRuyck	Swan Lake	106.5814
20.	• Larry Fisher	Carberry	106.3320

' New
• 5 or more years
•• 10 or more years
••• 15 or more years

DISTRICT 3		ADDRESS	AVERAGE INDEX
1.	• Allen Barkman	Birnie	109.4875
2.	• Linden Wohlgemuth	Riding Mountain	108.7428
3.	• Louis Barkman	Birnie	108.6615
4.	• James L. Young	Arrow River	108.2617
5.	• Glen Wohlgemuth	Plumas	108.1371
6.	• Ross Mathison	Decker	108.1204
7.	• Alfred Isaac	Birnie	107.8078
8.	•• Garry Tolton	Newdale	107.7977
9.	Leslie W. Davie	Neepawa	107.7119
10.	Ken/Anne Wardle	Arden	107.6700
11.	• Stanley Yaskiw	Birtle	107.5114
12.	••• J. A. McDonald & Sons	Strathclair	107.3867
13.	Harry F. Friesen	Birnie	107.3861
14.	• Greg Isaac	Birnie	107.3426
15.	William McArthur	Solsgirth	107.1433
16.	••• Newton Farms	Neepawa	107.1323
17.	• Weldon Fehr	Gladstone	107.0666
18.	Bob Isaac	Birnie	107.0335
19.	Stuart G. Briese	Neepawa	106.9422
20.	• Murray James Rempel	Birnie	106.8749

DISTRICT 4			
1.	•• Leon F. Wohlgemuth	Durban	107.4954
2.	••• Burtondale Farms	Swan River	107.2989
3.	•• Darrel Wohlgemuth	Roblin	107.0382
4.	• Jack Klekta	Bowsman	107.0027
5.	•• Acey Brinkman	Grandview	106.9526
6.	Lyle Penner	Swan River	106.8067
7.	Myron Penner	Swan River	106.7121
8.	Ronald W. Medwid	Swan River	106.5494
9.	· Barry D. Eggie	Swan River	105.9635
10.	• Ed and Bruce Penner	Grandview	105.9331
11.	•• Ken Wohlgemuth	Kenville	105.7284
12.	•• Hans Immerkar	Swan River	105.7204
13.	James Colbert	Swan River	105.5791
14.	• Wiebe Hog Farms	Roblin	105.5717
15.	• Dale Froese	Grandview	105.5350
16.	• Barrie Hrappstead	Swan River	105.4628
17.	Raymond B. Kroeker	Birch River	105.4293
18.	••• Ardenglen Ent. Ltd.	Swan River	105.3596
19.	· Bentley W. Penner	Grandview	105.3295
20.	John Dubyk	Minitonas	105.3203

· New
• 5 or more years
•• 10 or more years
••• 15 or more years

MANITOBApork

1991
"TOP 20 CLUB"
DISTRICT 3 & 4

MANITOBA pork

1991 "TOP 20 CLUB" DISTRICT 5 & 6

DISTRICT 5		ADDRESS	AVERAGE INDEX
1.	• Dewit Hog Farm Inc.	Carman	108.1190
2.	Cornelius Hiebert	Morris	108.0998
3.	Mazinke Farms Ltd.	Morris	107.9844
4.	• Dennis Braun	Altona	107.9267
5.	Wilbert Friesen	Morris	107.8171
6.	' Galen B. Goossen	Morris	107.8160
7.	' Triple T Farms	Altona	107.7121
8.	' Melvin Dunn	Carman	107.7033
9.	Richard J. Giesbrecht	Lowe Farm	107.6386
10.	Piche Hog Farms Ltd.	Fannystelle	107.6040
11.	• Kenneth L. Dyck	Springstein	107.5825
12.	' Ken C. Reimer	Lowe Farm	107.4525
13.	• Kleen Lean Hog Farms	Morris	107.4412
14.	' Lorsie Pork	Rosenort	107.3756
15.	Irvin B. Toews	Altona	107.3739
16.	' Dan J. Thiessen	Rosenfeld	107.3725
17.	Kenton Penner	Lowe Farm	107.3551
18.	' Edward/Erna Penner	Sperling	107.3018
19.	• Henry S. Penner	Stephenfield	107.2831
20.	• Ernie Janzen	Altona	107.2805

DISTRICT 6			
1.	' Clinton Plett	Fisher Branch	107.9491
2.	• Harold Loewen	Fisher Branch	107.6961
3.	•• Alan Safiniuk	Balmoral	107.5081
4.	Cornelius Friesen	Fisher Branch	107.3607
5.	•• Melvin Barkman	Riverton	107.1833
6.	• Clayton Campbell	Teulon	107.1778
7.	• Taylor Agro Ltd.	Marquette	106.9198
8.	•• John K. Plett	Fisher Branch	106.9017
9.	• Newlife Feeds Hogland	Winnipeg	106.7005
10.	' George M. Matheson	Stonewall	106.5500
11.	•• Van der zweep Farms	Balmoral	106.5021
12.	• Blue Diamond Farm Ltd.	Headingley	106.4469
13.	•• D. M. Suwala	Stonewall	106.4100
14.	Jake Barkman (Jr)	Riverton	106.4095
15.	• Calvern Farms Ltd.	Argyle	106.3218
16.	•• Leo Gudmundson	Arborg	106.2805
17.	• Firman Brothers	Arborg	106.2689
18.	• Glen Plett	Arborg	106.2035
19.	• Edwin Ryden	Eriksdale	106.1473
20.	' Ken/Virginia Crockatt	Argyle	106.1268

' New
• 5 or more years
•• 10 or more years
••• 15 or more years

DISTRICT 7		ADDRESS	AVERAGE INDEX
1.	• Spruce Meadow Farms	Steinbach	109.6102
2.	' Henry Martens	Steinbach	109.5300
3.	' Ben P. Reimer	Ste. Anne	108.6478
4.	• Ron Froese	Grunthal	108.5958
5.	' Gateway Farms	Kleefeld	108.5921
6.	Jake H. Harms	Steinbach	108.5025
7.	Herman Reimer	Beausejour	108.3567
8.	Stuart N. Lawrence	St. Pierre	108.3488
9.	Rempel Co-Acres	Ste. Anne	108.3045
10.	• J. & E. Friesen	Arnaud	108.2886
11.	' John B. Reimer	Grunthal	108.2688
12.	' Jim Friesen Farms Inc.	Steinbach	108.2094
13.	Rock Rose Dairy	Kleefeld	108.1333
14.	K. S. Farms Ltd.	Petersfield	108.1097
15.	William W. Reimer	Steinbach	108.0742
16.	P. & N. Klippenstein	Tourond	108.0509
17.	' Gerald P. Barkman	Steinbach	108.0249
18.	• Pine View Hog Farm	Steinbach	107.9920
19.	•• John Loewen Farms	Steinbach	107.9059
20.	' Levi Toews	Elma	107.8006

DISTRICT 8			
1.	' Westroc Colony	Westbourne	109.6813
2.	Cool Spring Colony	Minnedosa	109.3732
3.	•• Sommerfeld Colony	High Bluff	108.8714
4.	•• Greenwald Colony	Beausejour	108.7083
5.	• Starlite Colony	Starbuck	108.6929
6.	Parkview Colony	Riding Mountain	108.6710
7.	••• Wellwood Colony	Dunrea	108.4029
8.	• Aspenheim Colony	Bagot	108.3572
9.	New Haven Colony (N)	Argyle	108.2523
10.	Souris River Colony	Souris	108.0127
11.	Poplar Point Colony	Poplar Point	107.9391
12.	• Lakeside Colony	Headingley	107.9369
13.	Springfield Colony	Anola	107.8735
14.	Evergreen Colony	Somerset	107.8543
15.	Tri-Leaf Colony	Baldur	107.7258
16.	• Ridgeland Colony	Dugald	107.7061
17.	• Fairholme Colony	Portage La Prairie	107.6850
18.	• Whiteshell Colony	River Hills	107.6740
19.	•• Woodlands Colony	Poplar Point	107.6419
20.	Good Hope Colony	Portage La Prairie	107.6301

' New
• 5 or more years
•• 10 or more years
••• 15 or more years

MANITOBA pork

1991
"TOP 20 CLUB"
DISTRICT 7 & 8

MANITOBA pork

CANADA
PORK
PROMOTION
1991

CANADA PORK REPORT

"Partnerships" was the new theme for pork promotion in 1991. Canada Pork and provincial promotion staff are working co-operatively with other suppliers and clients to help stretch the value of our promotion dollars. This theme of working together crosses all program areas.

RETAIL - EDUCATION MAKES SENSE

The retail program revolved around the launch of the outstanding and comprehensive new "Pork Retail Merchandising Manual". The manual has 40 pages of innovative merchandising ideas, cutting techniques and information to stimulate retailers to improve pork merchandising. It was distributed at 37 retail seminars, across the country, where meat cutters were given hands-on experience with some of these techniques.

Throughout the year, retailers were supplied with new, exciting point of purchase materials to stimulate sales. These included four series of recipe cards, seven rail cards featuring different cuts, two bright stickers with cooking tips and, at Christmas, the Crown Roast promotion with free frills and recipes. All of this activity was used to encourage retailers to feature non-traditional pork cuts in their own advertising flyers and in-store promotions.

The results are showing up in the meat case. More and more retailers are doing a much better job with closer trim and more value-added pork cuts. In addition, branded counter-ready pork from both the packer and retailer level has started to enter the market.

FOODSERVICE - PROMOTION COVERAGE EXPANDS

The newsletter "Today's Pork Reporter" is a big hit with the foodservice trade. It is now distributed to over 16,000 clients and some copies are distributed by foodservice distributor sales people. The newsletter also received a first place award for marketing in the company publications category at the CAMA (Canadian Agricultural Marketing Association) awards in November. Promotion staff are now working with key distributors to encourage them to list and promote more pork products.

A wide variety of new promotional materials were developed to encourage increased pork menuing and promotion, including "International" pork recipe cards, educational placemats and generic posters.

New major pork promotions included a January promotion of a pork roast at The Keg restaurants and an exciting Nutrition Month promotion with Versa Foods in their cafeterias. 1991 was the year that McDonald's brought back the McRib as a promotional item with great success. As one visits restaurants across the country, more and more pork can be seen on menus in new, modern and trendy dishes.

HEALTH PROFESSIONALS - REACHING THE DOCTORS TOO

Canada Pork has implemented two strategies to encourage dietitians to promote the benefits of pork in a healthy diet. The first was a sponsorship of the Canadian Dietetic Association's "Nutrition Month" with participation in a resource manual which reached nearly 5,000 dietitians.

Also, a new nutrition oriented consumer brochure was developed. It was designed to appeal to health professionals' objectives. Therefore, many health professionals are using the pork

brochure in patient or client counselling. The brochure was also approved for use by The Canadian Cancer Society.

Tracking study research of general practitioners and family physicians indicated that doctors, like consumers, have misperceptions about pork that they, in turn, pass on to their patients. In September, a major communication program to doctors was initiated using advertising in popular medical journals. The ad "Let Them Eat Pork" compares the fat and cholesterol content of pork tenderloin and skinless chicken breast.

ADVERTISING CHANGES ATTITUDE

Advertising is an important part of promotion as consumer attitude changes must occur before behaviour changes. Throughout 1991, advertising was placed in popular consumer magazines with the message that today's pork is leaner, versatile and delicious. A tracking study to measure consumer consumption and attitudes to pork was conducted in the fall. The study showed that consumers now believe pork to be leaner. Pork also rated high on taste and versatility. Advertising now needs to convince consumers that pork is comparable to chicken in fat and cholesterol content to encourage increased pork consumption.

CONSUMER PROMOTION AND PUBLIC RELATIONS

The media is still the most important source of information for consumers. Canada Pork implemented several programs to generate media coverage. A cooking video featuring Kay Spicer was developed. This is being aired several times, over the next five years, as part of an educational series on public television. It is also used by the provinces for other education purposes.

Press releases were sent to over 800 newspapers and dailies throughout the year and pick-up has been excellent.

Canada Pork also participated in a media tour in Nova Scotia that has generated articles about pork in "Canadian Living" magazine as well as newspapers across the country. Canada Pork has become a respected resource for the media, working closely with food and lifestyle editors to get the good news about pork to the press.

TEAMWORK - BETTER THAN EVER

The team of national promotion staff and provincial promotion staff is working together better than ever to stimulate consumer demand for pork. Frequent communication ensures that regional promotion activity enhances and supports the overall plan. Pork promotion programs are successfully meeting the challenges of building consumer demand for pork.

MANITOBA*pork*

MANITOBA pork

MANITOBA
PORK
PROMOTION
1991

MANITOBA PORK REPORT

RETAIL CAMPAIGNS

Value-added cuts of pork, better trim, racks and crowns of pork are now standard items in meat counters across Manitoba. A very effective method in bringing about this change in pork merchandising were the four half day meat seminars, presented to Federated Co-op, Penner Foods, and independents from rural and urban Manitoba. The seminars included hands-on meat cutting, featuring Jim Vidoczy, Canada Pork's Meat Specialist. As well as new cutting techniques, retailers were also able to get up-to-date industry and nutrition information and the latest in P.O.P. materials.

In-store demos are guaranteed to increase sales. And it worked for Penner Foods! A series of in-store demos with lean ground pork, pork strips and pork schnitzel increased sales of these featured products during and following the promotion.

FOOD SERVICE

Manitoba Pork was one of 17 Silver Sponsors for the World Curling Championships held in Winnipeg in March, 1991. Fifteen different pork cuts were introduced into menus for "The Hog Line Inn". As well, support advertising in food coupon books and programs, banners, and numerous credits all gave Manitoba Pork a good image for this world event.

Supportive promotions and networks continue with the Hotel Association, the Restaurant and Foodservice Association and the Manitoba Chef's de Cuisine. Individually, members of these associations all receive newsletters, quantity recipe cards and other P.O.P. materials from Manitoba Pork.

HEART SMART

Sold out again! 35,000 copies of our second "Heart Smart" booklet, "Heart Smart Recipes with Today's Pork" - have been distributed through consumer and health professional programs. Due to the increasing demand for this type of publication, Manitoba Pork has started production of a third "Heart Smart" booklet.

HEALTH PROFESSIONALS

Newsletters to dietitians, teachers, professional association newsletters, health and fitness groups, keep health professionals up-to-date on nutrition and industry technology. Positive feedback on this information and requests for thousands of recipes indicate that we are reaching this important target group.

MEDIA

Eight TV shows on CKY-TV, as well as eight "Great Tastes of Manitoba" shows on Videon Cable TV, and monthly radio tapes continue to provide an excellent vehicle for distributing recipes and information.

NEWSLETTERS AND PRESS RELEASES

Newsletters and press releases continue to be an excellent way to reach key people. Locally, our releases reached over 600 dietitians, media, retail, food service, meat managers, foods and nutrition instructors and district home economists, with up-to-date information on pork. Response has been excellent from these mailings, resulting in increased distribution of materials to these special target groups.

DISPLAYS AND DEMONSTRATIONS

Hog Days in Brandon, Ag Expo in Morris and Manitoba Health Services Organization Conference in Winnipeg, all provided excellent opportunities to utilize our Canada Pork nutrition display. Our "Myths About Pork" video and our Pork Pursuit Game, answer consumer questions and help distribute up-to-date information and recipes.

PORK PRO-MOTOR

The Pork Pro-Motor sported a new look in 1991 with an up-scale design for the "Special Events" van.

Bert and the Pork Pro-Motor, drove 30,000 Km, attended 125 events, served over 35,000 people and cooked up over 14,000 lbs. of tender, delicious pork.

MANITOBA PORK EST.

December 31, 1991

ERNST & YOUNG

AUDITORS' REPORT

To the Members of
Manitoba Pork Est.

We have audited the balance sheet of **Manitoba Pork Est.** as at December 31, 1991 and the statements of revenue and expenditure, market development, pork promotion and research revenue, expenses and surplus, reserve for working capital and an offset to fixed asset investment, unallocated retained revenue and cash flows for the year then ended. These financial statements are the responsibility of the board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the board as at December 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Ernst & Young

Winnipeg, Canada,
February 14, 1992.

Chartered Accountants

Manitoba Pork Est.
Incorporated as a producer board under the laws of Manitoba

BALANCE SHEET

As at December 31

	1991 $	1990 $
ASSETS		
Current		
Cash	**361,627**	629,028
Marketable securities *[note 2]*	**8,955,090**	7,987,912
Accounts receivable	**890,805**	932,372
Prepaid expenses	**14,195**	41,289
Total current assets	**10,221,717**	9,590,601
Fixed assets *[note 3]*	**2,742,910**	2,484,932
	12,964,627	12,075,533
LIABILITIES		
Current		
Producer payables and outstanding cheques	**4,632,439**	4,819,339
Accounts payable and accrued liabilities	**2,141,503**	1,293,131
Total current liabilities	**6,773,942**	6,112,470
Contingency and commitments *[note 6]*		
Members' equity		
Surplus to be used for market development, pork promotion and research	**580,088**	554,916
Reserve for working capital and an offset to fixed asset investment	**2,942,910**	2,684,932
Unallocated retained revenue	**2,667,687**	2,723,215
	6,190,685	5,963,063
	12,964,627	12,075,533

See accompanying notes

On behalf of the Board:

Director

Director

Manitoba Pork Est.

STATEMENT OF MARKET DEVELOPMENT, PORK PROMOTION AND RESEARCH REVENUE, EXPENSES AND SURPLUS

Year ended December 31

	1991 $	1990 $
REVENUE		
Portion of fees allocated	**500,000**	400,000
Special promotion levy	**432,468**	455,983
Interest *[note 6]*	**45,390**	68,096
	977,858	924,079
EXPENSES		
Live hog exports *[note 6]*	**46,311**	(38,557)
Market development	**20,983**	151,164
Industry association	**109,048**	114,182
Pork promotion - Manitoba [includes depreciation of $1,722; 1990 - $2,460]	**153,057**	152,512
Canadian Pork Council special trade action assessment	**66,810**	64,084
Research	**79,264**	134,112
Canada Pork assessment	**477,213**	457,741
	952,686	1,035,238
Excess (deficiency) of revenue over expenses	**25,172**	(111,159)
Surplus to be used for market development, pork promotion and research		
Balance, beginning of year	**554,916**	666,075
Balance, end of year	**580,088**	554,916

See accompanying notes

Manitoba Pork Est.

STATEMENT OF RESERVE FOR WORKING CAPITAL AND AN OFFSET TO FIXED ASSET INVESTMENT

Year ended December 31

	1991 $	1990 $
Balance, beginning of year	**2,684,932**	2,473,095
Transfer from unallocated retained revenue	**257,978**	211,837
Balance, end of year	**2,942,910**	2,684,932

STATEMENT OF UNALLOCATED RETAINED REVENUE

Year ended December 31

	1991 $	1990 $
Balance, beginning of year	**2,723,215**	2,379,807
Excess of revenue over expenditure from operations for year	**202,450**	555,245
	2,925,665	2,935,052
Add transfer to reserve for working capital and an offset to fixed asset investment	**(257,978)**	(211,837)
Balance, end of year	**2,667,687**	2,723,215

See accompanying notes

Manitoba Pork Est.

STATEMENT OF REVENUE AND EXPENDITURE

Year ended December 31

	1991 $	1990 $
REVENUE		
Gross fees	**2,599,611**	2,765,477
Deduct		
Portion applicable to market development, pork promotion and research	**(500,000)**	(400,000)
Special promotion levy	**(432,468)**	(455,983)
	1,667,143	1,909,494
Interest	**766,806**	969,473
Other	**58,825**	81,834
	2,492,774	2,960,801
EXPENDITURE		
Administrative and selling *[schedule]*	**2,114,190**	2,246,406
Depreciation	**176,134**	159,150
	2,290,324	2,405,556
Excess of revenue over expenditure from operations for year	**202,450**	555,245

See accompanying notes

Manitoba Pork Est.

STATEMENT OF CASH FLOWS

Year ended December 31

	1991 $	1990 $
OPERATING ACTIVITIES		
Excess of revenue over expenditure from operations for year	**202,450**	555,245
Add charge to operations not requiring a current cash payment		
Depreciation	**177,856**	161,610
Market development, pork promotion and research excess (deficiency) of revenue over expenses	**25,172**	(111,159)
Proceeds on sale of hogs	**203,805,290**	227,941,375
Distribution on settlements, including board fees	**(203,805,290)**	(227,941,375)
	405,478	605,696
Net change in non-cash working capital balances related to operations *[note 5]*	**917,033**	77,056
Cash provided by operating activities	**1,322,511**	682,752
INVESTING ACTIVITIES		
Purchase of fixed assets	**(435,834)**	(381,717)
Disposal of fixed assets	**—**	8,270
Cash used in investing activities	**(435,834)**	(373,447)
Net increase in cash during the year	**886,677**	309,305
Cash position, beginning of year	**3,797,601**	3,488,296
Cash position, end of year	**4,684,278**	3,797,601
Cash position consists of the following		
Cash	**361,627**	629,028
Marketable securities	**8,955,090**	7,987,912
Producer payables and outstanding cheques	**(4,632,439)**	(4,819,339)
	4,684,278	3,797,601

See accompanying notes

Manitoba Pork Est.

NOTES TO FINANCIAL STATEMENTS

December 31, 1991

1. SIGNIFICANT ACCOUNTING POLICIES

[a] Nature of the board

The board was established to carry out the function of marketing hogs on behalf of the hog producers of Manitoba, including enhancing the market through market development, pork promotion and research. Accordingly, the financial statements have been prepared to reflect the operations and the activities in market development. The following is a description of how the revenue and expenses have been accounted for:

[i] Revenues, expenditures and unallocated retained revenue

The board annually determines the amount of gross revenue from fees which is to be allocated for market development, pork promotion and research. The Statement of Revenue and Expenditure includes all revenues less the portion allocated to market development, pork promotion and research, and all expenses applicable to the day to day operations of the board. The excess of revenue over expenditure from operations is credited to the unallocated retained revenue.

[ii] Market development, pork promotion and research

The board maintains a separate surplus account to be used for market development, pork promotion and research. The Statement of Market Development, Pork Promotion and Research Revenue, Expenses and Surplus reflects the revenue which has been allocated for this purpose; the expenses for market development, pork promotion and research including the net costs of certain market development costs of hog export; the excess of revenue over expenses; and the surplus at the end of the year.

[iii] Reserve for working capital and an offset to fixed asset investment

The board maintains the reserve to indicate the amount of members' equity which has been invested in net fixed assets plus an amount required for ongoing working capital.

[b] Revenue recognition

Revenue from fee income is recognized at the time of settlement with producers for sales made on their behalf by the board.

[c] Fixed assets

Land, building, furniture and equipment are recorded at cost. Normal maintenance and repair expenditures are expensed as incurred.

Depreciation is provided on the basis and at the rates set out below:

Building	Straight line	2.5 - 25%
Furniture and equipment	Diminishing balance	20 - 30%

[d] Marketable securities

Marketable securities are carried at cost which approximates market value. Interest is accrued on the investments as it is earned.

2. MARKETABLE SECURITIES

	1991 $	1990 $
Deposit receipts	6,000,000	4,000,000
Commercial paper	491,100	1,002,670
Provincial Government bond	986,500	986,500
Manitoba Hydro bond	100,000	—
Bankers' Acceptances	1,377,490	—
Treasury Bills	—	1,998,742
	8,955,090	7,987,912

3. FIXED ASSETS

	1991			1990
	Cost $	Accumulated depreciation $	Net book value $	Net book value $
Land	432,145	—	432,145	432,145
Building	3,021,886	955,142	2,066,744	1,833,725
Furniture and equipment	616,772	372,751	244,021	219,062
	4,070,803	1,327,893	2,742,910	2,484,932

4. BOARD MEMBERS' REMUNERATION AND DISBURSEMENTS

	1991			1990
	$ Per Diem	$ Expenses	$ Total	$ Total
District 1	5,608	3,576	9,184	13,474
District 2	6,939	5,226	12,165	8,364
District 3 [Chairman]	27,286	17,965	45,251	33,151
District 4	5,853	5,298	11,151	13,139
District 5 [Executive Member]	9,095	5,363	14,458	12,975
District 6 [Vice-Chairman]	14,708	16,048	30,756	20,959
District 7	13,423	10,501	23,924	27,380
District 8	3,523	1,979	5,502	9,485
Miscellaneous charges	—	1,198	1,198	1,481
Gross remuneration and disbursements to board members	86,435	67,154	153,589	140,408
Less amount charged to market development	—	—	11,517	—
Amount charged to operations	86,435	67,154	142,072	140,408

The board consists of seven Directors and one Chairman. The Chairman's per diem is a combination of a $10,000 annual salary plus a per diem of $140 per day. Directors' per diem rates are based on $130 per day.

The Vice-Chairman receives an annual salary of $3,500 and the Executive Member receives an annual salary of $1,500 in addition to their per diem rates.

The Executive Committee is comprised of the Chairman, Vice-Chairman and one Director.

5. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

	1991 $	1990 $
Decrease in accounts receivable	41,567	932,236
Decrease in prepaid expenses	27,094	36,205
Increase (decrease) in accounts payable	848,372	(891,385)
Net changes in non-cash working capital balances related to operations	917,033	77,056

6. CONTINGENCY AND COMMITMENTS

Countervail duty on exports to the United States (U.S.)

Live hogs exported to the U.S. by the board are subject to an initial deposit rate duty which is subject to review under various trade review mechanisms. At year end, the financial statements reflect an accrual or payment for all initial duties [as set from time to time] on live hog exports. However, since the final review has not been completed for exports for the period April 1, 1988 to December 31, 1991, duties on exports during this period may be subject to adjustment. To December 31, 1991, a refund of duties has been received for the period April 1, 1986 to March 31, 1988. These amounts are included in accounts payable. The amount of the balance of adjustment for the period April 1, 1988 to December 31, 1991, if any, cannot be reasonably estimated and will be recorded in the financial statements at the time they are finalized.

Other

The board is responsible to direct interest earned on withholdings it collects on behalf of The National Tripartite Stabilization Plan towards research. During the year $45,390 [1990 - $68,096] was committed.

Lease commitment

The board is committed, under a ten year operating lease, to minimum annual lease payments of approximately $92,000.

Manitoba Pork Est.

SCHEDULE OF ADMINISTRATIVE AND SELLING EXPENDITURE

Year ended December 31

	1991 $	1990 $
Awards	3,839	5,143
Bad debt expense [East West Packers]	—	27,615
Board members' remuneration, travelling and miscellaneous expenses *[note 4]*	142,072	140,408
Claims and adjustments	18,971	15,275
Data processing	76,273	75,053
District and annual meetings	139,545	194,072
Employee benefits	93,103	95,345
Insurance	89,949	71,723
Light, heat and water	95,542	129,304
Maintenance and repairs	49,905	41,934
Memberships and subscriptions	7,742	7,097
Microfilming and xeroxing	9,528	8,732
Miscellaneous	20,091	18,055
Newsletter and hog journal	21,326	24,526
Office rental, Brandon	—	7,762
Office supplies and stationery	44,311	43,269
Postage	55,554	53,958
Professional fees	35,451	45,800
Provincial Health and Education Tax	16,347	19,036
Realty and business taxes	91,153	86,561
Salaries	883,600	902,801
Stockyard rentals and expenses	136,731	128,480
Telephone	57,292	79,776
Travel expenses	19,865	19,181
Truck wash	6,000	5,500
Total administrative and selling expenditure	2,114,190	2,246,406

See accompanying notes